



STATE OF IOWA

THOMAS J. VILSACK
GOVERNOR

SALLY J. PEDERSON
LT. GOVERNOR

SUSAN E. VOSS
COMMISSIONER OF INSURANCE

May 11, 2006

Mr. Joe N. Mauro
Insurance Networking Systems, Inc.
2611 Ingersoll Avenue
Des Moines, IA 50312

Dear Mr. Mauro:

Recently, members of the Iowa Insurance Division staff met with you in regard to sales of insurance products to CIETC and their staff. The Division was asked to review certain processes and procedures with the sales of insurance by your office to CIETC. Sonya Moon and Wayne Lacher of our staff spoke with you, visited your office and reviewed files pertaining to CIETC insurance contracts.

At this time, we have concluded our review and will not actively pursue additional information. This letter is not an indication of any final action or determination by the Iowa Insurance Division. If future issues or information should arise, we may take additional action.

It is my understanding that you were cooperative with our staff and provided information as requested. We appreciate your willingness to work with us in this matter.

Sincerely,

A handwritten signature in cursive script that reads "Susan E. Voss".

Susan E. Voss
Commissioner



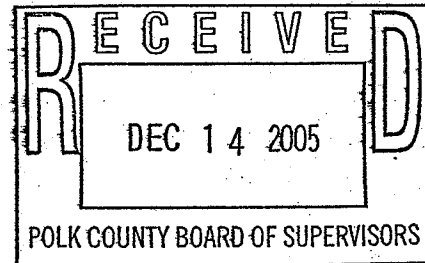
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December 7, 2005

Polk County Board of Supervisors
Polk County Administration Building
Second and Court Avenues
Des Moines, Iowa 50309



Dear Honorable County Supervisors:

Central Iowa Employment and Training Consortium (CIETC) is requesting from Polk County \$250,000 to assist with maintaining the existing infrastructure of the CIETC One-Stop and Dislocated Worker System in Polk County. This request is necessary because of the drastic Department of Labor budget reductions that our partners and we have experienced this year and that are projected for the next twelve months. This request is being made to Polk County and the other Consortium members with the amounts requested to each member based upon population. This funding will allow the Consortium to maintain the existing infrastructure that will allow CIETC to continue to provide valuable services to the citizens of Polk County.

CIETC and its partners will appreciate your favorable response to this request. If you have any questions or need additional information, please do not hesitate to contact me. I may be reached at 281-9728.

Sincerely,

Ramona Cunningham
Executive Director



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Des Moines, Iowa 50309-1920
Tel. (515) 281-9700

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July 29, 2004

Polk County Board of Supervisors
Polk County Administration Building
Second and Court Avenues
Des Moines, Iowa 50309

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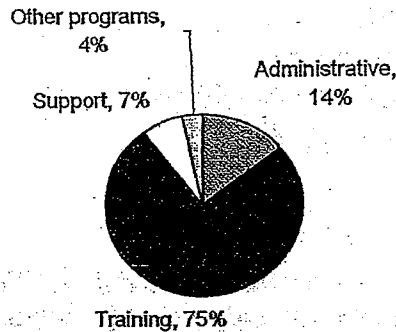
Ramona Cunningham
Executive Director

**CIETC One-Stop and Dislocated Worker System
Infrastructure Costs**

Client Service Costs	\$2,298,849
Rent/Facility Insurance/Parking	\$205,745
Office Expenses Including Non-Staff IT Expenses	\$143,972
Communications	\$ 51,623
Legal and Fiscal Expenses (Non-Staff)	\$ 33,500
Miscellaneous	<u>\$ 2,500</u>
Total	\$2,751,583

All of the above projected expenses do not include direct client costs.

Expenses



The cost of all of CIETC's activities this year was approximately \$5.7 million. \$5.6 million, or 99%, was financed by operating grants specifically received for those activities. The difference, \$.1 million, was funded from unrestricted grants and contributions as well as assets on hand from the prior year. (NOTE: The operating grant received for PROMISE JOBS was received as a lump-sum for administrative costs. Program expenses, as listed above, reflect PROMISE JOBS funding in the function, i.e. administrative, training, and support, for which it was used.

CIETC's major activity is to provide training services to the unemployed and underemployed as well as to provide retraining to employees who have lost their jobs as a result of plant closings. CIETC spent 82% of its' total expenditures on these training and support services.

INDIVIDUAL MAJOR FUND ANALYSIS

As CIETC completed the year, its' governmental funds reported a combined fund balance of \$163,000, down 27% from the prior year balance of \$223,000. Following are the major reasons for the changes in fund balances of the major funds from the prior year and plans for future operations and expenditures:

- General fund expenditures exceeded current year revenues by approximately \$64,000. This was a result of planned expenditures related to the following: 1) funds received in a prior year that management planned to use over a two year period; 2) the installation of a new network server and accounting software; 3) preparations for the opening of the new Senator Tom Harkin Learning Center for the Disabled; and 4) costs associated in preparing for relocation to a new office facility in July, 2004. Approximately 75% of the ending fund balance is budgeted to be spent in the fiscal year ending June 30, 2005. This budget includes spending the second year of a two-year funding stream as well as utilizing funds for one-time expenses of equipment and training materials related to the Senator Tom Harkin Learning Center for the Disabled.
- The Special Revenue Funds account for all of the training activities conducted by CIETC. Allowable costs are incurred and then CIETC receives reimbursement. CIETC received and expended approximately \$5.56 million during the fiscal year, summarized as follows:

Major Special Revenue Funds:	
Workforce Investment Act	\$ 1,214,540
PROMISE JOBS	1,577,843
H1-B Technical Grants	1,130,684
Demonstration, Pilots and Project Grants	991,089
Nonmajor Special Revenue Funds	<u>651,243</u>
Total	<u>\$ 5,565,399</u>

It is anticipated that CIETC will continue to deliver Workforce Investment Act training and other services as long as the funding is authorized by Congress. CIETC will be preparing a new five year regional service delivery plan during the fiscal year ending June 30, 2006. The PROMISE JOBS program will continue to be delivered in the same manner based on continued funding approval for the program by Congress and program approval by the Iowa Legislature and the Iowa Department of Human Services. The H1-B Technical Grant for the Health Careers Program continues to train eligible participants and has exceeded enrollment goals. The funding for the program will expire on December 10, 2004. The Tom Harkin Learning Center is being funded as a Demonstration Grant. Participants are being enrolled, trained in job skills based on established curriculum, and placed in appropriate job situations. Funding for this three and one-half year grant is available through March 31, 2007. CIETC anticipates continued funding after this date and is writing a business plan to enable the Learning Center to continue as a self-sustaining operation at some point in the future.

CAPITAL ASSETS

At June 30, 2004, CIETC had approximately \$41,000 invested in capital assets which is equipment used in operations. During this fiscal year, CIETC acquired capital assets with a cost of approximately \$20,000 and recorded depreciation expense of approximately \$9,000.

These capital assets were acquired using funds received from the State of Iowa through Iowa Workforce Development (IWD). IWD retains ownership and title of these assets and has established written policies regarding asset acquisition, use, management, and disposition. CIETC must follow these established policies.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET

CIETC recognizes that the needs of their clients and citizens for training and retraining in job skills continue to grow. Their ability to write successful grants is high. However, competition from others and the decisions made by the federal government on funding grants significantly affects what funding is available and the amount of dollars available for job training.

Two of CIETC's major funding streams, the Workforce Investment Act and PROMISE JOBS, are impacted by conditions set by the federal government. The Workforce Investment Act is funded on a formula basis in which the economic conditions of Iowa are compared to other states. This comparison, plus the dollar amount of funding made available by the federal government, impacts the amount of funding received by CIETC. The funding for the PROMISE JOBS program is impacted by both state and federal appropriations as well as a comparison of the number of Family Investment Program clients in CIETC's region as compared to other regions of the state. These factors require CIETC to annually adjust its programming and services based on available funding.

CIETC's appointed officials and management considered many factors when setting the fiscal year 2005 budget. Since CIETC is not a taxing body, the budget is determined based on available revenues. Decisions on services and staffing are dependent upon available state and federal revenues.

A major new training initiative during fiscal year 2005 is the opening of the Senator Tom Harkin Learning Center for the Disabled. This classroom includes state-of-the-art technology and will train individuals with disabilities and adults with less than a high school education. The facility and programming are the result of collaborative community efforts and a combination of funding sources including the federal Department of Labor and local foundation and government grants.

CONTACTING CIETC'S FINANCIAL MANAGEMENT

This financial report is designed to provide our citizens, taxpayers, customers, and creditors with a general overview of CIETC's finances and to show CIETC's accountability for the money it receives. If you have questions about this report or need additional financial information, contact Ramona Cunningham, Chief Executive Officer; John Bargman, Chief Operating Officer; or Karen Tesdell, Chief Accountant, 430 E. Grand, Des Moines, Iowa.